

**Adopted by the Directors
of GLOBALTRANS INVESTMENT LTD
Resolution of 11 March 2008**

GLOBALTRANS INVESTMENT LTD

TERMS OF REFERENCE

NOMINATION COMMITTEE

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1. GENERAL PROVISIONS

Article 1 Regulations on the Nomination Committee

- 1.1 These Terms of reference (hereinafter *Terms*) shall, in accordance with the legislation of Cyprus, UKLA's listing rules and the Articles of association of GTI Ltd (hereinafter *the Company*), describe the Nomination Committee activities, rights and duties of the members of the Nomination Committee, the nomination and remuneration of its members and other matters related to the operations of the Nomination Committee.
- 1.2 The Company strives to comply with generally accepted principles of corporate governance which is reflected in these Terms.
- 1.3 These Terms may be amended, when required, which is subject to approval by the Board of Directors.

Article 2 Objectives of the Nomination Committee

- 2.1 The Nomination Committee is a committee of the Board of Directors which assists the Board of Directors in discharging its corporate governance responsibilities in relation to appointment of all Executive and Non-Executive Directors, the CEO and CFO of the Company's group of companies. The main objective of the Nomination Committee is to lead the process for the Board of Directors' appointments and make respective recommendations to the Board, ensuring proper balance of the Board of Directors and qualification of its members.

2. COMPOSITION OF THE NOMINATION COMMITTEE

Article 3 General requirements to the structure of the Nomination Committee

- 3.1 The Board of Directors shall create, from among its members, the Nomination Committee.
- 3.2 The number of members of the Nomination Committee of the Company is established by appropriate resolution of the Board of Directors. The Nomination Committee shall comprise at least two members.
- 3.3 The majority of the members of Nomination Committee shall be Independent Non-Executive Directors.
- 3.4 The Chairman of the Nomination Committee shall be elected among the Chairman of the Board of Directors and Independent Non-Executive Directors and approved at the meeting of the Board of Directors.
- 3.5 No one other than the Nomination Committee Chairman and members will be entitled as of right to attend or vote at a meeting of the Nomination Committee. It is for the Nomination Committee to decide if non-member shall attend for a particular meeting or a particular item of meeting.

3. RESPONSIBILITIES OF THE NOMINATION COMMITTEE

Article 4 Rights of the Nomination Committee

- 4.1 The member of the Nomination Committee shall have the right to:
 - seek any information it requires from, or request the attendance at any of its meetings of, any Director or senior executive, and all employees are expected to cooperate with any request made by the Committee;
 - receive a fee for, and/or reimbursement of the expenses incurred by him/her in connection with, the discharge by him/her of his/her duties of the member of the Nomination Committee in situations and in the amount stipulated by the appropriate resolution of the General Meeting of Shareholders;
 - review the minutes of the meetings of the Nomination Committee and other collective governing bodies of the Company, and receive copies of such minutes;

- demand that his/her dissenting opinion on the matters on the agenda and resolutions approved be noted in the minutes of the meeting of the Nomination Committee.
- 4.2 The delegation of the right to vote by any member of the Nomination Committee to a third person, including another member of the Nomination Committee/the Board of Directors shall not be allowed.

Article 5 Duties of the Nomination Committee

- 5.1 The Nomination Committee shall:
- evaluate the balance of skills, knowledge and experience on the Board of Directors, prepare a description of the role and capabilities required for a particular appointment;
 - identify and nominate for the approval of the Board of Directors (for further approval of shareholders), candidates to fill the Board of Directors vacancies when they arise. In identifying suitable candidates for any Director position, the Nomination Committee shall consider candidates on merit against objective criteria, taking care that appointees have appropriate skills, knowledge and experience and have enough time to devote to the position;
 - assess the independence of any existing or proposed Non-Executive Director in line with the criteria set out in the Terms of reference of the Board of Directors and provide the Board of Directors with the results of assessment;
 - ensure that on appointment of a Non-Executive Director to the Board of Directors a formal letter of appointment is sent to the Non-Executive Director for signing. The letter of appointment shall clearly set out terms of appointment, including time commitments, role, terms of remuneration, independence, confidentiality and other requirements. The Nomination Committee should ensure that on appointment of an Executive Director to the Board of Directors the terms of appointment are included in his/her employment agreement. The Nomination Committee should ensure that the names of candidates/Directors appointed for election or re-election should be accompanied by sufficient biographical details and any other relevant information to enable the Board of Directors to take an informed decision on his/her appointment or re-appointment.
 - make recommendations to the Board of Directors concerning election of the Senior Independent Director from Independent Non-Executive members of the Board of Directors;
 - make recommendations to the Board of Directors concerning membership of the Board of Directors' Committees, in consultation with the Chairman of appropriate Committee (regarding election and termination of the members of the Nomination Committee, please, refer to **Error! Reference source not found.**);
 - make recommendations to the Board of Directors concerning chairmanship of the Board of Directors and its Committees (regarding election and termination of the Chairman of the Nomination Committee, please, refer to **Error! Reference source not found.**);
 - regularly review the structure, size and composition of the Board of Directors and its Committees and make recommendations to the Board of Directors with regard to any changes;
 - make recommendations to the Board of Directors concerning the re-appointment of any Non-Executive Director at the conclusion of their specified terms of office;
 - at any time make recommendations to the Board of Directors concerning matters relating to the continuation in office of any Director. Developing recommendations to the Board of Directors the Nomination Committee should take into consideration the necessity of progressive refreshing of the Board of Directors and its Committees, the results of performance evaluation, etc;
 - satisfy itself with regard to succession planning that processes and plans are in place for the Board of Directors;
 - ensure that all provisions of the appointment, election and termination procedure, set out in the Terms of reference of the Board of Directors, are properly fulfilled;
 - ensure that provisions regarding disclosure of the Nomination Committee activities as set out in the Article 15 of the Terms are fulfilled;
 - make the Terms publicly available.

Article 6 Election and termination of the members of the Nomination Committee

- 6.1 New appointments to the Nomination Committee should be made by the Board of Directors, in consultation with the Chairman of the Nomination Committee.
- 6.2 Appointments for independent members should be for a period of up to three years, extendable by no more than two additional three-year periods, so long as members continue to be independent.
- 6.3 The Nomination Committee should annually review its own effectiveness and if necessary the Nomination Committee Chairman should refer the question of termination of Nomination Committee members' duties to the Board of Directors.

Article 7 Duty of the officers of the Company and its subsidiaries to comply with the requests of the members of the Nomination Committee

- 7.1 Any Director and employee of the Company shall, if and when so requested by the member of the Nomination Committee, furnish him/her with any information the Nomination Committee requires in order to perform its duties to the extent permitted by the applicable legislation, with the exception of, e.g., information about their private lives and information violating the right to privacy, family secrets, and secrets contained in their correspondence, telephone conversations, letters, telegraphs and other messages.
- 7.2 If it is impossible to furnish the member of the Nomination Committee with the information requested by him/her, the above-mentioned persons shall forthwith prepare a motivated refusal and furnish it to the member of the Nomination Committee in writing within three days following the date of the request.
- 7.3 Refusal to disclose information shall be communicated by the member of the Nomination Committee to the Board of Directors.
- 7.4 The Company Secretary shall, if and when so requested by the member of the Nomination Committee, grant to the latter access to information and an opportunity to make copies of documents and materials.
- 7.5 The agreements executed by and between the Company on the one hand, and a Director/ employee of the Company on the other hand, shall contain provisions stipulating liability for the failure to disclose information to the member of the Nomination Committee.

4. CHAIRMAN OF THE NOMINATION COMMITTEE

Article 8 Election and termination of the Chairman of the Nomination Committee

- 8.1 The Chairman of the Nomination Committee shall be elected from the members of the Board of Directors by a majority vote of the entire Board of Directors.
- 8.2 In the absence of the Chairman, the Nomination Committee members present will elect one of them to chair the meeting.
- 8.3 The Board of Directors may at any time re-elect the Chairman of the Nomination Committee.
- 8.4 The Board may, based on personal evaluation results, whether make a recommendation to shareholders on the Nomination Committee Chairman termination, or leave him in the Board, but terminate his duties as Nomination Committee Chairman.

Article 9 Duties of the Chairman of the Nomination Committee

- 9.1 The Chairman of the Nomination Committee shall:
 - organize the work of the Nomination Committee, convene and chair its meetings, and ensure that minutes are maintained at all meetings of the Nomination Committee;
 - be responsible for the preparation of the agendas of the meetings of the Nomination Committee;
 - organize the proceedings at the meetings of the Nomination Committee so that discussion of the matters on the agenda thereof be open, comprehensive, concise, representative of diverse points of view, and conducive to the approval of specific agreed resolutions;
 - organize development of efficient resolutions on the matters on the agenda and, if necessary, free discussion of the relevant issues, and ensure that the meetings

- of the Nomination Committee are conducted in a supportive and constructive atmosphere;
 - ensure that all members of the Nomination Committee receive accurate, timely and clear information;
 - initiate development of draft resolutions on the matters under consideration;
 - ensure that the members of the Nomination Committee continually update their skills and the knowledge and familiarity with the Company required to fulfill their role on the Nomination Committee.
- 9.2 The Chairman of the Nomination Committee shall attend the Annual General Meeting and be available to answer questions from shareholders regarding the Nomination Committee's activities.
- 9.3 In the absence of the Chairman of the Nomination Committee the person performing the functions of the Chairman of the Nomination Committee in his/her absence may exercise any powers vested in the Chairman of the Nomination Committee.

5. REMUNERATION OF THE MEMBERS OF THE NOMINATION COMMITTEE

Article 10 Remuneration to the members of the Nomination Committee

- 10.1 The Board of Directors shall determine the remuneration of the Non-Executive Directors, including members of the Nomination Committee, and make appropriate recommendations on Directors' remuneration for further shareholders approval.
- 10.2 The General Meeting of Shareholders may, based on the Board of Directors recommendations (in a part of the Non-Executive Directors' remuneration) and the Remuneration Committee recommendations (in a part of the Executive Directors' remuneration), resolve that those members of the Board of Directors which are also the members of the Nomination Committee shall be paid additional remuneration for the work performed by them during their terms in office and/or reimbursed for the expenses associated with discharge of their duties. The amount of such remuneration and reimbursement shall be established by resolution of the General Meeting of Shareholders.
- 10.3 The payment of such remuneration and reimbursement to the members of the Nomination Committee shall constitute a separate matter on the agenda of the General Meeting of Shareholders.
- 10.4 Principles of the Nomination Committee members' remuneration are the same as for the members of the Board of Directors (please, refer to Terms of Reference of the Board of Directors Committee).

6. MEETING OF THE NOMINATION COMMITTEE

Article 11 Convocation of the meeting of the Nomination Committee

- 11.1 The Nomination Committee shall meet at least once a year at the date determined in the schedule approved by the Board of Directors. The Nomination Committee will meet at other time on the request of the Chairman of the Board of Directors or the Chairman of the Remuneration Committee.
- 11.2 For each meeting of the Nomination Committee following items shall be determined:
- date, time and place of the meeting;
 - agenda of the meeting;
 - list of the matters to be put to the vote;
 - list of information (materials) to be furnished to the members of the Nomination Committee prior to the meeting.
- 11.3 The agenda for the meetings will be determined by the Chairman of the Nomination Committee, taking into account the views of other members of the Nomination Committee as appropriate. The agenda and supporting papers, unless otherwise agreed, will be circulated to each member of the Nomination Committee no fewer than four working days prior to the date of the meeting.
- 11.4 No Director shall be present during that part of a meeting when his own re-appointment is discussed. The Chairman of the Board of Directors shall not chair the Nomination Committee when it is dealing with appointment of succession to the chairmanship.
- 11.5 The quorum is at least two members of the Nomination Committee.

- 11.6 The Chairman of the Nomination Committee has a casting vote when the Nomination Committee consists of more than two Directors.
- 11.7 When there are two members of the Nomination Committee including the Chairman he/she shall not have a casting vote. When the two Directors do not reach a single opinion the decision should be taken by the Board of Directors.
- 11.8 The Company Secretary or his/her nominee shall act as the Secretary of the Nomination Committee.
- 11.9 The Company Secretary will also keep a record of the membership of and the dates of any changes to the membership of the Nomination Committee.
- 11.10 All materials used for the meetings of the Nomination Committee will be in English.

Article 12 Place and time of the meeting of the Nomination Committee

- 12.1 The Directors shall use their reasonable efforts to ensure that, to the extent practicable, meetings of the Nomination Committee shall be convened in Cyprus.
- 12.2 Provided it is agreed in writing by each member of the Nomination Committee, meetings may be held through telephone conferences, though the members of the Nomination Committee shall endeavor to keep such meetings to a minimum.
- 12.3 All members of the Nomination Committee shall be notified of the convocation of the meeting of the Nomination Committee in advance in order to enable them to properly organize their schedule.
- 12.4 If circumstances, which make it impossible or difficult to conduct the meeting of the Nomination Committee in a place and/or at a time of which the members of the Nomination Committee were notified, arise the meeting with the same agenda may be conducted in a different place and/or at a different time.
- 12.5 All members of the Nomination Committee shall be notified of the change of place and/or time of the meeting of the Nomination Committee by the Secretary on behalf of Chairman of the Nomination Committee within the time reasonably sufficient to ensure their attendance. The notice of the aforementioned changes shall be delivered to the members of the Nomination Committee in any form which guarantees receipt thereof at their physical or electronic addresses.

Article 13 Minutes of the meeting of the Nomination Committee

- 13.1 The minutes of the meeting of the Nomination Committee shall be prepared no later than seven days after the meeting and be signed by each member of Nomination Committee as soon as reasonably possible. Circular resolutions shall be effective only if they are signed by each member of the Nomination Committee. The minutes and circular resolutions (originals and/or copies) should be stored by the Secretary.
- 13.2 The minutes of the meeting of the Nomination Committee shall contain the following information:
- full name of the Company;
 - date, place and time of the meeting;
 - persons attending the meeting;
 - persons who have furnished their written opinions on the matters on the agenda;
 - agenda of the meeting;
 - matters put to the vote, and the outcome of voting thereon;
 - resolutions approved.
- 13.3 The minutes of the Nomination Committee shall be signed by the person chairing the meeting of the Nomination Committee.
- 13.4 The Company shall ensure that the shareholders, the members of the Board of Directors, the members of the Nomination Committee have access to the minutes of the meetings of the Nomination Committee.

7. EVALUATION OF THE OPERATIONS OF THE NOMINATION COMMITTEE

Article 14 Evaluation of the operations of the Nomination Committee and individual members

- 14.1 The operations of the Nomination Committee and individual Directors shall be subject to annual evaluation.

- 14.2 The evaluation of the Nomination Committee and individual Directors' performance shall be made through self-assessment and cross-assessment or by external third party.
- 14.3 The results of annual performance evaluation shall be communicated to the Chairman of the Board of Directors.

8. DISCLOSURE OF INFORMATION ABOUT THE NOMINATION COMMITTEE

Article 15 Disclosure of information on the Nomination Committee's activities in the annual report

- 15.1 A separate section of the annual report should describe the work of the Nomination Committee in discharging its responsibilities. This section shall include:
- description of role and composition of the Nomination Committee;
 - description of the Nomination Committee activities and information about the number of meetings of the Nomination Committee and the Directors' attendance;
 - description of the performance evaluation process for the Nomination Committee and its Directors (or cross refer to the Directors' Remuneration Report).
- 15.2 The annual report should include an explanation if neither external search consultancy nor open advertising has been used in the appointment of a Chairman of the Board of Directors or a Non-Executive Director.